November 14, 2009

Ms. Jodi Winship Federal Election Commission Reports Analysis Division 999 E Street, NW Washington, DC 20463

Re: Request for Additional Information (Mid-Year Report, 1/01 - 6/30/2009)

Dear Ms. Winship:

This is in response to the Federal Election Commission's analysis of Freedom's Defense Fund's Mid-Year 2009 FEC Disclosure Report and your request for additional information concerning that report.

- 1 Schedule A of the report disclosed a contribution from John R. Walden which appeared to exceed the limits set forth in the Act. Mr. Walden's contribution was actually \$5,000 and this will be reflected on the amended report.
- 2 Schedule A supporting Line 17 of your report disclosed a payment from LEGACY LISTS, INC. for List Rental Income. Freedom's Defense Fund raises contributions through a national direct mail program and as a consequence, the committee rents donor files and allows its donor file to be rented through its broker: Legacy Lists, Inc. The payment of \$29,650.69 represents the net list rental income earned by the committee for renting its donor file.
- 3 Schedule B of the report discloses a transfer totaling \$189,000 to a non-federal account of the committee. All funds raised were solicited as Federal funds and in compliance with the Act. Funds transferred to FREEDOM'S DEFENSE FUND STATE PAC were utilized to air commercials in the Republican Primary for the New Jersey Governor's race. Pursuant to 11 CFR 106.6 the committee has not allocated disbursements between federal and non-federal accounts because those disbursements were made entirely from funds subject to the prohibitions and limitations of the Act.
- 4 The Committee has disclosed limited payments for administrative expenses. Since its inception, Freedom's Defense Fund has primarily been an organization established and run by a group of volunteers. Presently, there are no salaried staff and no formal headquarters, for these reasons, the Committee has limited payments for administrative expenses.
- 5 The Committee reported unitemized individual contributions of \$591,785.78 on Line 11(a)(ii), Column A of the Detailed Summary Page. These are due to the number of donors whose contributions were raised as part of the Committee's direct mail fundraising campaign and represent those individuals whose donations aggregate to less than \$200. For those contributions that were itemized but lack the occupation and employer information, the committee has established procedures whereby the following steps are taken to satisfy the "best efforts" requirements: (i) within thirty (30) days of the receipt of the contribution, a letter is sent, clearly asking for the missing information, without soliciting a contribution; (ii) we inform the contributor of the requirements of federal law for the reporting of such information; and (iii) we provide a pre-addressed return envelope, a fax number and an email address. Upon receipt of the information the committee amends its reports to provide the new information.
- 6 An expenditure made for "CPAC RECEPTION" was for the purpose of increasing the profile of Freedom's Defense Fund at the annual Conservative Political Action Conference at the Omni Shoreham Hotel. The reception was not a fundraising event and no portion of the disbursement was made on behalf of a specifically identified federal candidate.
- 7 Schedule B discloses an expenditure(s) for "CONSULTING MEDIA," "DIRECT MAIL CREATIVE," "DIRECT MAIL MAILSHOP," "DIRECT MAIL PRINTING," "DIRECT MAIL FUNDRAISING," "LIST RENTALS," "PHOTOGRAPHY," "POLLING," and "PRODUCTION

ETEXT ATTACHMENT

The direct mail and List Rental related expenditures were made on behalf of Freedom's Defense Funds fundraising program and not for the benefit of a federal candidate. Photography expenses are for the committee's website and the Polling and Media expenses were attributable to the NJ Governors campaign. The committee is in the process of amending its report to clarify these disbursements.

8 The Committee inadvertently reported an offset to expenditures on Line 16 instead of the appropriate Line 15. An adjustment will be made to correctly report this refund on our amended Disclosure Report.

I trust that this response will satisfy the Commissions request for additional information. Please contact me should you require anything further.

Sincerely,

Scott B. Mackenzie Treasurer